GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:449
ANSWERED ON:23.02.2001
RAIDS ON EXPORTERS
DINESH CHANDRA YADAV;RAM JEEVAN SINGH

Will the Minister of FINANCE be pleased to state:

(a) whether during the raids conducted by the Enforcement Directorate recently in Mumbai certain Indian exporters, who export their goods to Russia were found involved in multi-crore fraud;

(b) if so, the details thereof;

(c) the amount involved and the modus-operandi of the exporters involved in the fraud; and

(d) the action has been taken by the Government in the matter ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) : Yes, Sir.

(b)&(c): On the basis of documents recovered by the Enforcement Directorate and subsequent interrogation of persons involved, it is suspected that certain unscrupulous exporters were abusing the policies governing exports from India to Russia against Repayment of State Rupee Credits. Among other things, overinvoicing and hawala payment abroad of large amounts are suspected.

(d) : Eight persons involved in the alleged fraud, were arrested.